



Department of Justice

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MODESTO WOMAN ARRESTED AND INDICTED FOR
MAIL FRAUD AND MONEY LAUNDERING
Former Controller Charged with Embezzling \$1.6 Million

FRESNO, Calif.—United States Attorney McGregor W. Scott announced today that LISA SHAE ALLEN, 37, of Modesto, Calif., was arrested on a 47-count indictment charging her with mail fraud, money laundering, and criminal forfeiture stemming from her embezzlement of over \$1.6 million from her former employer.

This case is the product of an investigation by the FBI and U.S. Postal Inspection Service with assistance from the Stanislaus County District Attorney's Office.

According to Assistant United States Attorneys Stanley A. Boone and Ian Garriques, who are prosecuting the case, ALLEN was the former controller for G. Hedgecock Inc. (GHI), a grading and paving company located in Modesto, Calif. Beginning in January 2002 and continuing to March 20, 2007, ALLEN embezzled in excess of \$1.6 million from GHI. Using an elaborate method to conceal her embezzlement from her employer, ALLEN was able to avoid audit detections of the company. She then spent the money for her personal use including the purchase of property in California and other states, credit card bills, a pool, and vehicles.

If convicted of these charges, ALLEN faces a maximum sentence of 20 years in prison and a \$250,000 fine. The actual sentence, however, will be determined at the discretion of the court after consideration of the Federal Sentencing Guidelines, which take into account a number of variables and any applicable statutory sentencing factors.

The charges are only allegations, and the defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

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